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HSC BRIEFING

22 March 1955

BACKGROUND-STATUS OF PORT ARTHUR

- I. The Sino-Soviet treaty of 1945 (with ChiNats)
 granted the Soviet Union joint use of the Port
 Arthur naval base, although the civil administration of the entire area was to remain Chinese.
 This agreement was to run for thirty years.
 - A. In 1950, however, in the first treaty between the Communist regime and the USSR, it was stipulated that Soviet troops would be withdrawn from the Port Arthur naval base "immediately on the conclusion of the peace treaty with Japan, but not later than the end of 1952."
 - B. In September, 1952, a Sino-Soviet communique announced that Peiping had requested that Soviet troops remain at Port Arthur "until such time as peace treaties are concluded" with Japan, in spite of the earlier provision for withdrawal in 1952.
- II. Another Sino-Soviet communique of October, 1954

 again changed the status of Port Arthur with an

 announcement that Soviet armed forces would with
 draw from the Port Arthur naval base area and that

 the area's installations would be transferred

 without compensation to Communist China.

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possible, according to the communique, by "changes in the international situation in the Far East, following the termination of the war in Korsa and the restoration of peace in Indochina."

announced that the Soviet shares in the four Sino-Soviet companies would be transferred to Communist China by the end of 1954. One of these companies was the Dairen Shipbuilding Company located at Dairen, a part of the Port Arthur complex. This company, along with the other three, was transferred to ostensible Chinese control on schedule.

that the withdrawal of Soviet

forces from Port Arthur had already begun.

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- A. Madame Sun Yat-sen, in a Soviet Army Day speech at Port Arthur on 23 February, said that Soviet troops had "already begun to depart" from the area.
- B. The previous day, Minister of Mational

 Defense Peng Teh-huai, a member of the same

 delegation, addressed the Soviet armed for-

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